Private sector participation in coal sector

1031. SHRIMATI PREMA CARIAPPA: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that 70 per cent of the total energy requirement of the country is met with coal;

(b) if so, the reasons for which development of new mines has not been taken up;

(c) whether it is also a fact that the increasing demand of coal cannot be met through the public sector alone; and

(d) if so, the steps that have been taken to encourage private sector in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO): (a) and (b) About 55% of the primary commercial energy supply and 70% of power generation is coal based. Development of new mines is a continuous process to augment domestic coal production to meet the growing energy requirements of the country. In this regard Coal India Limited (CIL) has identified a total of 97 projects with aggregate capacity of 231.90 million tonnes to be taken up during the Tenth Plan period. Out of these, 73 projects with aggregate ultimate capacity of 149.19 million tonnes have so far been sanctioned.

(c) Yes. Efforts of public sector would need to be supplemented with contribution from private sector as well in meeting the increasing demand for coal.

(d) Private sector participation in coal mining has been facilitated by making amendments to the provisions of Coal Mines (Nationalization) Act, 1973 from time to time. However, private participation in coal mining is presently limited to captive consumption for production of iron and steel, cement and power. Further Coal Mines (Nationalization) Amendment Bill 2000 has also been introduced in Rajya Sabha in April 2000 which seeks to permit private participation in coal mining without the present restriction of captive use.

MoU with NTPC for power project in Gujarat

1032. PROF. ALKA BALRAM KSHATRIYA: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that Government of Gujarat and NTPC have signed an MoU for setting up of 1000 MW Power Project at Pipavav in joint venture;

(b) if so, the present status of the project;

(c) whether it is also a fact that the project is held up due to non-allotment of coal mining block to NTPC by the Ministry of Coal;

(d) if so, the reasons for delay in allocation of the coal mining block to NTPC; and

(e) by when the coal mining block is likely to be allotted to NTPC?

THE MINISTER OF STATE IN THE MINISTRY OF COAL (DR. DASARI NARAYANA RAO): (a) and (b) Yes, Sir. An MoU has been signed by National Thermal Power Corporation (NTPC) with Gujarat Power Corporation Limited (GPCL) and Gujarat Electricity Board (GEB) for setting up a 1000 MW Power Project at Pipavav in Amreli District of Gujarat as a 50:50 joint venture project of NTPC and GPCL/agencies of Government of Gujarat based on tecno-economic feasibility which is to be carried out for selection of optimum fuel. NTPC in consultation with GPCL has taken up various site specific studies to prepare the Feasibility Report.

(c) No, Sir. The following 6 coal blocks have already been allocated to NTPC to meet the requirement of their future power plants:

1. Pakri-Barwadi
2. Talai-Palli
3. Kerandari
4. Chatti-Bariatu
5. Chhatrasal
6. Dulanga

In addition to above, two more coal blocks *viz.* (1) Brahmani and (2) Chichro Patsimal have been allocated for Joint Venture between NTPC and CIL to meet addtional requirement of power plants.

(d) and (e) Do not arise in view of reply at (c) above.

FDI in coal

1033. SHRI SITARAM YECHURY: Will the Minister of COAL be pleased to state:

(a) whether it is a fact that Government are opening coal sector for FDI;

(b) if so, the reasons to invite FDI in coal sector therefor;